

RECEIVED

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

APR 02 2009
PUBLIC SERVICE
COMMISSION

In the matter of:

THE APPLICATION OF EAST KENTUCKY NETWORK)
LIMITED LIABILITY COMPANY FOR THE ISSUANCE)
OF A CERTIFICATE OF PUBLIC CONVENIENCE AND) CASE No 2008-00082
NECESSITY TO CONSTRUCT A TOWER IN HARLAN)
COUNTY, KENTUCKY).

In case number 91-002 East Kentucky Network, LLC, formerly Mountaineer Cellular Limited Liability Company was granted a Certificate of Public Convenience and Necessity by the Kentucky Public Service Commission to construct and operate a cellular radio telecommunications system for KY RSA 10. East Kentucky Network LLC merger documents were filed with the Commission on February 2, 2001 in Case # 2001-022.

In an effort to improve service in Harlan County, East Kentucky Network, LLC pursuant to KRS 278.020 Subsection 1 and 807 KAR 5:001 Section 9 is seeking the Commission's approval to construct a tower near Cumberland. The proposed tower will be a 180 foot self-supporting tower with attached antennas located on a tract of land approximately 0.4 mi (0.6 km) N of Cumberland (Harlan), Kentucky (36°58' 53.00" N, 82° 59' 45.80"W). A map and detailed directions to the site can be found in Exhibit 8.

FAA and Kentucky Airport Zoning Commission approvals have been applied for and a copy of the application is included as Exhibit 4 and 6.

No Federal Communications Commission approval is required prior to construction of this facility. Once service is established from this tower we must immediately notify the Federal Communications Commission of its operation. Prior approval is needed only if the proposed facility increases the size of the cellular geographic service area. This cell site will not expand the cellular geographic service area.

A geologist was employed to determine soil and rock types and to ascertain the distance to solid bedrock. The geotechnical report is enclosed as Exhibit 3

A copy of the tower design information is enclosed as Exhibit 5. The proposed tower has been designed by engineers at Allstate Tower, Inc and will be constructed under their supervision. Their qualifications are evidenced in Exhibit 5 by the seal and signature of the registered professional engineer responsible for this project.

The tower will be erected by A & D Communication of Cattlesburg, Kentucky. A & D has vast experience in the erection of communications towers.

Enclosed, and should be filed with Exhibit 10 is a survey of the proposed tower site signed by a Kentucky registered professional engineer. There is no structure within 500 feet of the proposed tower as indicated in this enclosure. Exhibit 2 is a list of all Property owners or residents according to the property valuation administrator's record who reside or own property within 500 feet of the proposed tower in accordance with the Public Valuation Administrator'. No other properties are contiguous with East Kentucky's property.

Exhibit 12, back of folder, contains a vertical sketch of the tower supplied by Coleman Engineering.

Pursuant to 807 KAR5:063 Sections 1 (1)(L) and Section 1(1)(n)(1) all affected property owners according to the property valuation administrator's record who reside or own property within 500 feet of the proposed Tower were notified by certified mail return receipt requested of East Kentucky Network, LLC's proposed construction and informed of their right to intervene. They were given the docket number under which this application is filed. Enclosed in Exhibit 2 is a copy of that notification.

Harlan County has no formal local planning unit. In absence of this unit the Harlan County Judge Executive's office was notified by certified mail, return receipt requested of East Kentucky

Network Limited Liability Company's proposal and informed of their right to intervene. They were given the docket number under which this application is filed. Enclosed in Exhibit (1) is a copy of that notification.

East Kentucky Network, LLC will finance the subject Construction with earned surplus in its General Fund.

Estimated Cost of Construction	140,000.00
Annual Operation Expense of Tower	12,500.00

Two notice signs meeting the requirements prescribed by 807 KAR 5:063, Section 1(2), measuring at least two (2) feet in height and four (4) feet in width and containing all required language in letters of required height, have been posted, one at a visible location on the proposed site and one on the nearest public road. The two signs were posted on April 3 and will remain posted for at least two weeks after filing of this application as specified.

Enclosed in Exhibit 9 is a copy of East Kentucky Network LLC's deeds to the site.

Notice of the location of the proposed construction was published on the first two weeks of April in the Harlan Daily Enterprise. Enclosed is a copy of that notice in Exhibit 1. The Harlan Daily Enterprise is the newspaper with the largest circulation in Harlan County.

The proposed construction site is on a very rugged mountaintop some feet from the nearest structure. Prior to construction the site was wooded.

Due to the steep hillside surrounding the proposed site, the property in close proximity is unsuitable for any type of development. East Kentucky Network LLC's operation will not affect the use of nearby land nor its value. No more suitable site exists in the area. A copy of the search area map is enclosed in Exhibit 8. No other tower capable of supporting East Kentucky Network LLC's load exists in the general area; therefore, there is no opportunity for co-location of our facilities with anyone else.

WHEREFORE, Applicant respectfully requests that the PSC accept the foregoing Application for filing, and having met the requirements of KRS [278.020(1), 278.650, and 278.665] and all applicable rules and regulations of the PSC, grant a Certificate of Public Convenience and Necessity to construct and operate the proposed tower.

The foregoing document was prepared by Janice Robinson, Technical Site Coordinator for East Kentucky Network d/b/a Appalachian Wireless. All related questions or correspondence concerning this filing should be mailed to East Kentucky Network, LLC d/b/a Appalachian Wireless, 101 Technology Trail, Ivel, KY 41642.

SUBMITTED BY: _____ DATE: _____

Janice Robinson, Cell Site Coordinator

APPROVED BY: _____ DATE: _____

Gerald Robinette, General Manager

Contacts:

Gerald Robinette, General Manager

Phone: (606) 791-2375, Ext. 111

Email: grobinette110@ekn.com

Janice Robinson, Technical Site Coordinator

Phone: (606) 791-2375, Ext. 166

Email: jrobinson166a@ekn.com

Mailing Address:

East Kentucky Network, LLC.
d/b/a Appalachian Wireless
101 Technology Trail
Ivel, KY 41642

1	Notification/Response from County.
2	Copies of Cell Site Notices.
3	Universal Soil Bearing Analysis.
4	Kentucky Airport Zoning Commission Application.
5	Tower Design.
6	FAA Approval/Notice of Proposed Construction.
7	Audited Financial Statements
8	Driving Directions and Map to Suitable Scale.
9	Deed/Lease Agreement for Proposed Site.
10	Survey of Site Signed/Sealed by Professional Engineer Registered in State of Kentucky.
11	Site Survey Map with Property Owners identified in Accordance with PVA of County.
12	Vertical Profile Sketch of Proposed Tower.

EAST KENTUCKY NETWORK
101 TECHNOLOGY TRAIL
LEVEL, KY 41642
PHONE: (606) 874-7550
FAX: (606) 874-7551
EMAIL: INFO@EKN.COM
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

March 30, 2009

Joseph A Grieshop, Judge/Executive
P. O. Box 956
Harlan, KY 40831

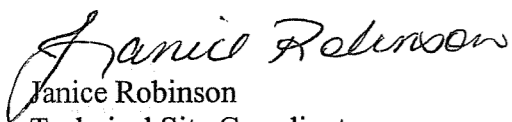
RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00082)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service. The proposed tower will be a 180 foot self-supporting tower with attached antennas located on a tract of land approximately 0.4 mi (0.6 km) N of Cumberland (Harlan), Kentucky (36°58' 53.00" N, 82° 59' 45.80" W). A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you are the County Judge Executive of Harlan County.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

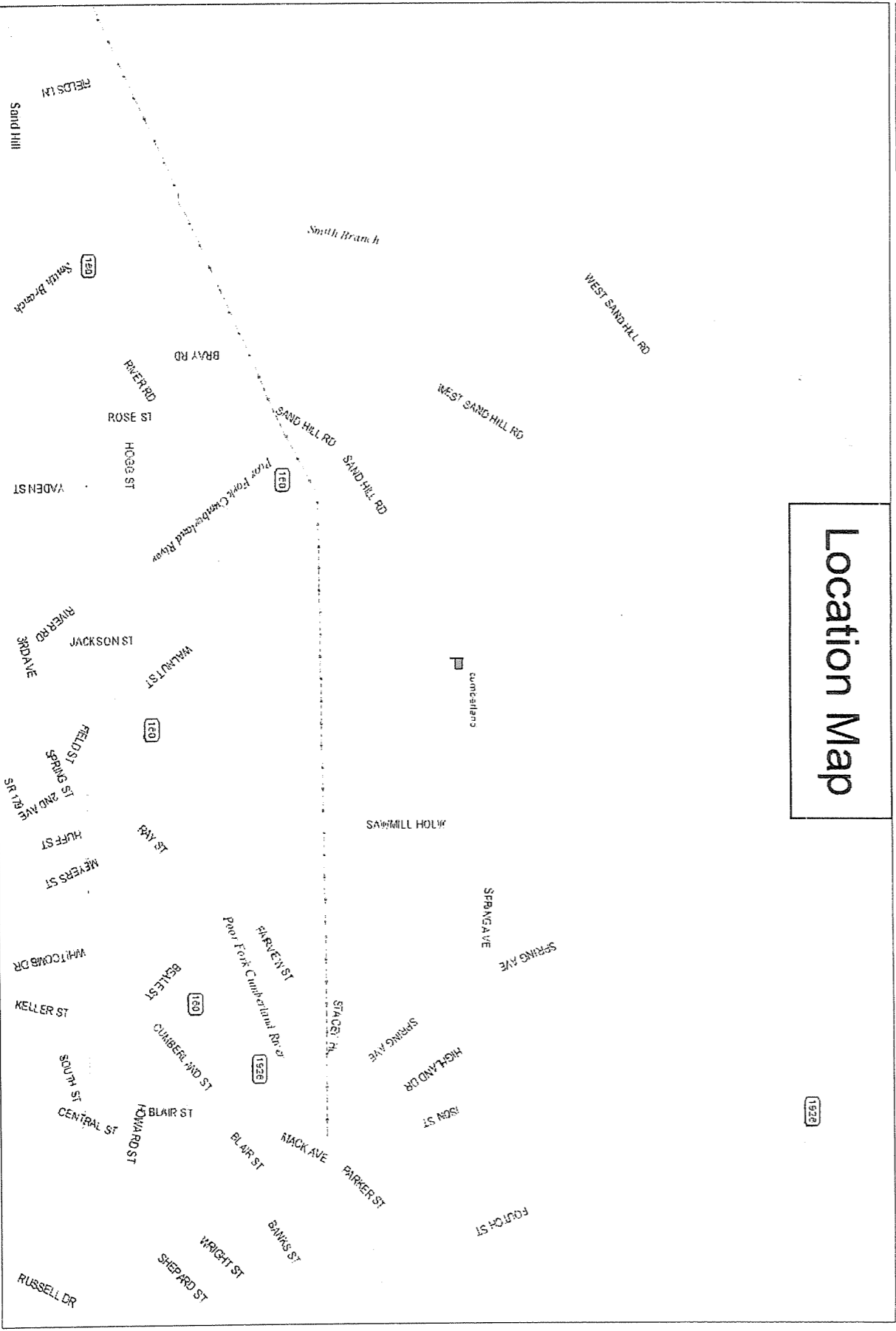
Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00082 in your correspondence.

Sincerely,


Janice Robinson

Technical Site Coordinator
enclosure

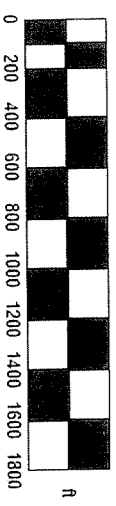
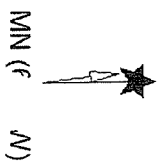
Location Map



Data use subject to license.

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www.delorme.com



d/b/a Appalachian Wireless
101 TECHNOLOGY TRAIL
IVEL, KY 41642
Phone: 606/874-7550
Fax: 606/791-2225



Fax

To: Harlan Daily Enterprise
Attn: Ad Manager

From: JANICE ROBINSON
East Kentucky Network,
d/b/a Appalachian Wireless

Fax: 606-573-0042 **Phone:** 606-874-7550, Ext. 166

Phone: 606-573-4510 **Pages:** 1 Page (INCLUDING COVER)

Re: PUBLIC NOTICE ADVERTISEMENT **Date:** 03/30/09

We would like to have the following public notice printed in the Harlan Daily Enterprise for the next two weeks. The notice should state the following:

PUBLIC NOTICE:

RE: Public Service Commission of Kentucky (CASE NO. 2009-00082)

Notice is hereby given that East Kentucky Network, LLC, dba Appalachian Wireless has applied to the Kentucky Public Service Commission to construct a tower located on a tract of land 0.4 mi (0.6 km) N of Cumberland in Harlan County, Kentucky. (36°58' 53.00" N, 82° 59' 45.80"W). If you would like to respond to this notice, please contact the Executive Director, Public Service Commission, 211 Sower Boulevard, PO Box 615, Frankfort, Kentucky 40602. Please refer to Case No. 2009-00082.

If you have questions about the placement of the above mentioned notice, please call me at 606-874-7550, ext. 166.

Thank you,

Janice Robinson, Technical Site Coordinator

Accounting Department If you have any problems with this fax, please call 606/886-6007. The message above and the information contained in the documents transmitted are confidential and intended only for the person(s) named above. Dissemination, distribution or copying of this communication by anyone other than the person(s) named above is prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the address listed above via regular mail. Thank you.

* * * Communication Result Report (Mar. 31. 2009 10:08AM) * * *

1) Ek n
2)

Date/Time: Mar. 31. 2009 10:07AM

File No.	Mode	Destination	Pg(s)	Result	Page Not Sent
1118	Memory TX	6065730042	P. 1	OK	

Reason for error
 E. 1) Hang up or line fail
 E. 3) No answer
 E. 5) Exceeded max. E-mail size
 E. 2) Busy
 E. 4) No facsimile connection

dt/a Appalachian Wireless
 101 TECHNOLOGY TRAIL
 INEL, KY 41042
 Phone: 606/674-7550
 Fax: 606/791-2225



Fax

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 Attn: Ad Manager East Kentucky Network,
 dt/a Appalachian Wireless

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Thank you,

Janice Robinson, Technical Site Coordinator

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EXHIBIT II : LIST OF PROPERTY OWNERS:

Statement Pursuant to Section 1 (1) (I) 807 KAR 5:063

Section 1 (1)(I) 1. The following is a list of every property owner who according to property valuation administrator's records, owns property within 500 feet of the proposed tower and each have been: notified by certified mail, return receipt requested, of the proposed construction.,

Section 1 (1) I 2. : Every person listed below who, according to the property valuation administrator's records, owns property within 500 feet of the proposed tower has been: Given the Commission docket number under which the application will be processed: and

Section 1 (1) I 3. Every person listed below who, according to property valuation administrator's records, owns property within 500 feet of the proposed tower has been: Informed of his right to request intervention.

LIST OF PROPERTY OWNERS

Russell & April Brown
178 East Sand Hill RD
Cumberland, KY 40823

William & Hazel Tucker
750 West Sand Hill
Cumberland, KY 40823

Roger & Delores Shelton
P. O. Box 158
Cumberland, KY 40823

Sandra Kay Fields
P O Box 485
Cumberland, KY 40823

Clarence & Donna Brown
P O Box 122 Arlens Hill
Cumberland, KY 40823

Burchel & Wands Fields
717 Spring Ave
Cumberland, KY 40823

Martha & Lawrence Shepherd
18355 HWY 522
Cumberland, KY 40823

Ethel Franks
P O Box 336
Cumberland, KY 40823

Anderson (Bud) Brown
P O Box 250
Cumberland, KY 40825

Herbert & Lucille Brown
P O Box 95 Arlens Hill
Cumberland, KY 40823

Danny & Charlene Brown
East Sand Hill RD
Cumberland, KY 40823

WENDELL R. HOLMES, P.G.

120 Church Street
Whitesburg, KY 41858
(606) 794-7250

February 20, 2009

Cumberland Tower Site

Purpose:

A site assessment was conducted for Appalachian Wireless on a tract of land located in Harlan County near Cumberland, Kentucky. The site of the proposed tower is now forestland. The purpose of this investigation was to determine the depth to bedrock and of what type of rock the bedrock consists.

Site Investigation:

The trenching method was used to determine at what depth and what type of bedrock material is present at the proposed tower site. A Caterpillar 315 Excavator was used to expose the bedrock material. It is approximately 4.00 feet to the shale bedrock. (See attachments for location and descriptions of materials encountered.)

The terrain in Harlan County is slightly too moderately steep. The tower site is located on a point on the south side of Pine Mountain just north of the town of Cumberland, Kentucky, approximately one half mile north of the junction of KY 160 and US 119 in Harlan County. The shale formation below the tower site is approximately 10.00 feet thick, based on the information obtained from the site investigation and geological maps of the area.

Conclusions:

The proposed tower site is located on a ridge in the area. The shale bedrock on the proposed tower site is part of the Hance Formation, and is Lower to Middle Pennsylvanian in age. Tests were not conducted to determine the load-bearing strength of the bedrock. However, it is apparent that the tower will be constructed on the shale bedrock formation.

The field work for this site was performed by Wendell R. Holmes, using generally accepted methods in the practice of geological science.

Wendell R. Holmes



Wendell R. Holmes

WENDELL R. HOLMES, P.G.

120 Church Street
Apartment 2
Whitesburg, Ky. 41858

Geologist Log

Location: Cumberland Tower Site

Unit Thickness	Total depth	Strata	Description
4.00'	4.00'	Soil	Yellow, red and brown, with shale and plant fragments
10.00'	14.00'	Shale	Yellow and gray

Kentucky Transportation Cabinet, Kentucky Airport Zoning Commission, 200 Mero Street, Frankfort, KY 40622
APPLICATION FOR PERMIT TO CONSTRUCT OR ALTER A STRUCTURE
 INSTRUCTIONS INCLUDED

Kentucky Aeronautical Study Number

1. APPLICANT -- Name, Address, Telephone, Fax, etc.
 East Kentucky Network, LLC
 c/o Lukas, Nace, Gutierrez & Sachs, Chtd
 1650 Tysons Blvd, Suite 1500
 McLean, VA 22102
 T: 703-584-8667 F: 703-584-8692

9. Latitude: 36 ° 58 ' 53 " 0 "
 10. Longitude: 82 ° 59 ' 45 " 8 "
 11. Datum: NAD83 NAD27 Other _____
 12. Nearest Kentucky City: Cumberland County Harlan

2. Representative of Applicant -- Name, Address, Telephone, Fax
 Ali Kuzehkanani
 Lukas, Nace, Gutierrez & Sachs, Chtd
 1650 Tysons Blvd, Suite 1500
 McLean, VA 22102
 T: 703-584-8667 F: 703-584-8692

13. Nearest Kentucky public use or Military airport:
Tucker Guthrie Memorial
 14. Distance from #13 to Structure: 35.0 km
 15. Direction from #13 to Structure: ENE

3. Application for: New Construction Alteration Existing
 4. Duration: Permanent Temporary (Months _____ Days _____)
 5. Work Schedule: Start 3/1/2009 End 3/10/2009
 6. Type: Antenna Tower Crane Building Power Line
 Landfill Water Tank Other _____

16. Site Elevation (AMSL): 1,936.00 Feet
 17. Total Structure Height (AGL): 190.00 Feet
 18. Overall Height (#16 + #17) (AMSL): 2,126.00 Feet

7. Marking/Painting and/or Lighting Preferred:
 Red Lights and Paint Dual - Red & Medium Intensity White
 White - Medium Intensity Dual - Red & High Intensity White
 White - High Intensity Other _____

19. Previous FAA and/or Kentucky Aeronautical Study Number(s):

 20. Description of Location: (Attach USGS 7.5 minute Quadrangle Map or an Airport layout Drawing with the precise site marked and any certified survey)
 Site is located approx. 0.4 mi (0.6 km) N of Cumberland (Harlan), KY

8. FAA Aeronautical Study Number _____

21. Description of Proposal:
 The structure will include a 180' tower with top-mounted antennas (overall height of 190' AGL). The ERP will be 500 watts.

22. Has a "NOTICE OF CONSTRUCTION OR ALTERATION" (FAA Form 7460-1) been filed with the Federal Aviation Administration?
 No Yes, When February 23, 2009

CERTIFICATION: I hereby certify that all the above statements made by me are true, complete and correct to the best of my knowledge and belief.

Ali Kuzehkanani/Dir of Engineering Ali Kuzehkanani 2/23/2009
 Printed Name and Title Signature Date

PENALTIES: Persons failing to comply with Kentucky Revised Statutes (KRS 183.861 through 183.990) and Kentucky Administrative Regulations (602 KAR 050:Series) are liable for fines and/or imprisonment as set forth in KRS 183.990(3). Non-compliance with Federal Aviation Administration Regulations may result in further penalties.

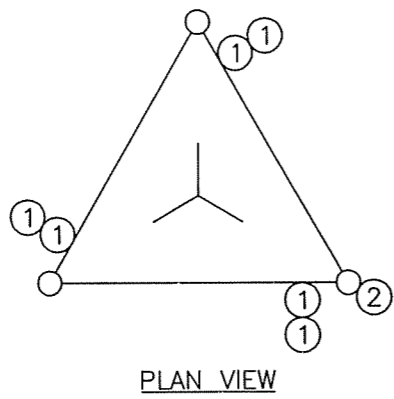
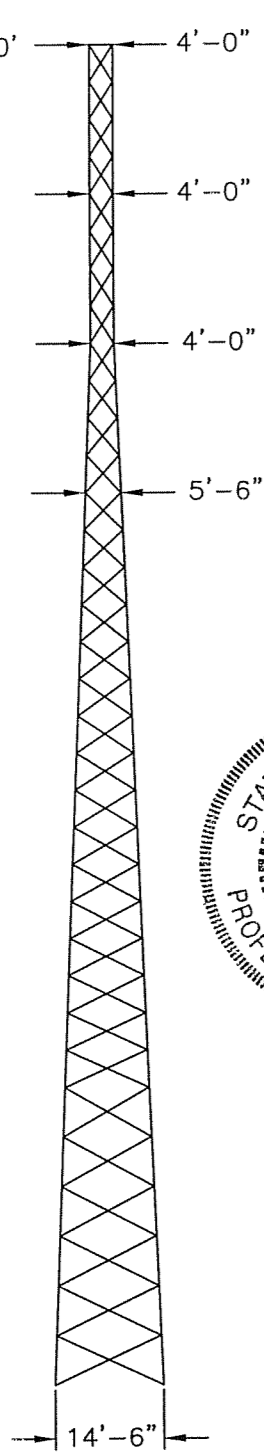
Commission Action: Chairman, KAZC Administrator, KAZC
 Approved _____
 Disapproved _____ Date _____



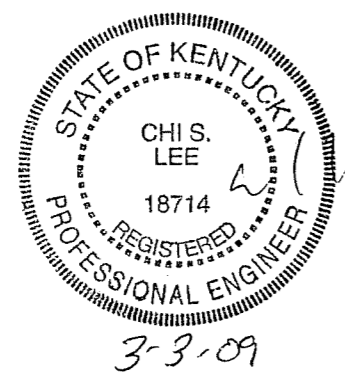
P.O. BOX 25
 HENDERSON, KY 42419
 PHONE: (270) 830-8512
 FAX: (270) 830-8475

SCALE: N.T.S.	PROPRIETARY STATEMENT: THIS DRAWING IS THE PROPERTY OF ALLSTATE TOWER CO. IT IS NOT TO BE REPRODUCED OR COPIED IN ANYWAY WITHOUT PRIOR WRITTEN CONSENT OF ALLSTATE TOWER CO.	
TOLERANCE BANDS ALL DIMENSIONS ARE ±1/16" ALL ANGULAR DIM ARE ±1/2° UNLESS OTHERWISE NOTED	CUSTOMER: APPALACHIAN WIRELESS	DRAWN BY: W. MILLER
APPROX. WEIGHT 15.88 KIPS	DESCRIPTION: 180' SELF SUPPORT TOWER	DATE: 02/20/2009
PROPOSAL #: S.S.T. DESIGN DRAWING	LOCATION: HARLAN COUNTY, KY	REV. NO.
	SITE: CUMBERLAND	REV. DATE
		JOB NO. AF40895
		SHEET A

LEG DIA.	Ø3.25"	Ø3.25"	Ø2.75"	Ø2.75"	Ø2.5"	Ø2.5"	Ø2.25"	Ø2.25"	Ø1.75"
DIAGONALS	L2.5" x .1875"		L2" x .1875"		Ø2.5"		Ø2.25"		A
GIRTS	N/A		N/A		N/A		N/A		A
BRACE BOLTS	Ø.75"		Ø.625"		Ø.75"		Ø.5"		
FLANGE BOLTS	Ø1"		Ø.75"		Ø.75"		Ø.75"		
# OF BAYS	3 BAY : X-BRACED		3 BAY : X-BRACED		4 BAY : X-BRACED		4 BAY : X-BRACED		



PLAN VIEW REF.:
 1) (6) FEEDLINES
 2) STEP BOLTS

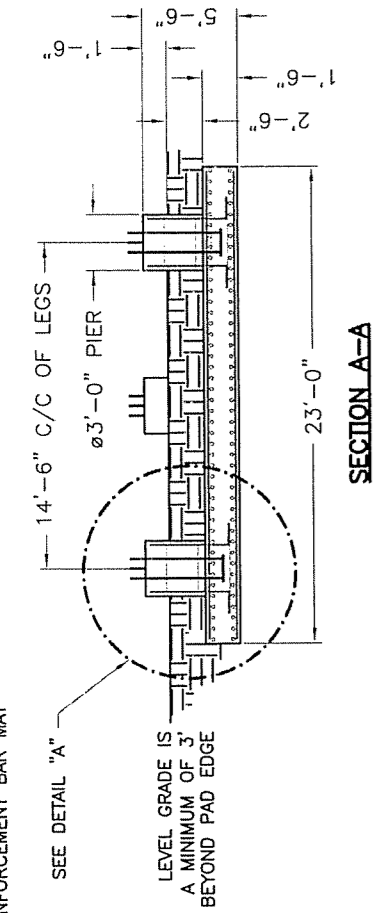


DESIGN NOTES:
 1) ALL LEGS ARE SOLID ROUND ASTM A-572 GRADE : $F_y \geq 50$ KSI.
 2) ALL BRACE MATERIAL IS ASTM A-36 : $F_y \geq 36$ KSI.
 3) ALL BRACE AND FLANGE BOLTS ARE A325-X.
 4) (6) Ø1.125" x 6'-0" LONG A-36 ANCHOR BOLTS PER LEG.
 5) TOWER IS DESIGNED FOR A 70 MPH BASIC WIND SPEED IN ACCORDANCE WITH THE TIA/EIA-222-F STANDARD INCLUDING A 0.5" OF RADIAL ICE.

SYMBOL LIST: A) L1.75" x .125"	
BASE REACTIONS:	
TOTAL SHEAR	= 17 KIPS
AXIAL LOAD	= 28 KIPS
UPLIFT / LEG	= 137 KIPS
COMP. / LEG	= 155 KIPS
O.T. MOMENT	= 1881 FT-K

ELEV.	ANTENNA	FEEDLINE
180'	(12) 4' X 1' CELLULAR PANELS	(12) 1.625"
170'	(12) 4' X 1' CELLULAR PANELS	(12) 1.625"
160'	(12) 4' X 1' CELLULAR PANELS	(12) 1.625"
--- STEP BOLTS UTILIZED FOR CLIMBING WITH SAFETY CLIMB DEVICE. --- SEE PLAN VIEW FOR FEEDLINE DISTRIBUTION.		

REINFORCEMENT BAR MAT



SECTION A-A

(6) ϕ 1.125" X 6'-0" OVERALL LENGTH ANCHOR BOLTS W/ 3/4" THK BEARING PLATE AT THE BOTTOM OF THE ANCHOR BOLT CLUSTER (5' MIN. ANCHOR BOLT EMBEDMENT).

USE EPOXY BONDING AGENT WHEN POURED SEPARATELY

(8) #7 VERTICAL BARS w/ #4 TIES AT 12" ON CENTER

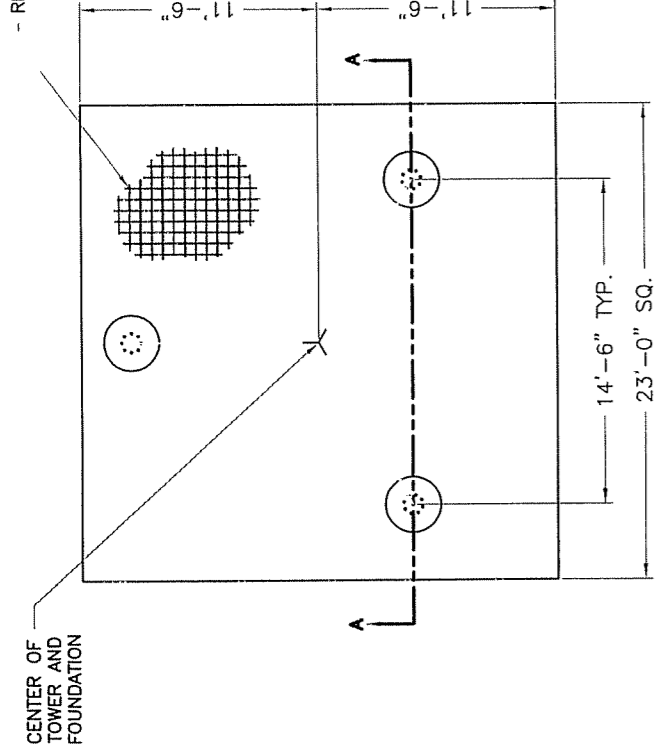
(26) #7 HORIZONTAL BARS X 22'-6" LONG EQUALLY SPACED EACH WAY AT TOP AND BOTTOM OF MAT. (TOTAL = 104)

DETAIL "A"

REINFORCEMENT BAR SPlicing:
 1. ALL LAP SPICES SHALL CONFORM TO ACI 318 REQUIREMENTS.
 2. REFER TO CHART BELOW WHEN REINFORCEMENT BAR SPlicing IS NECESSARY.

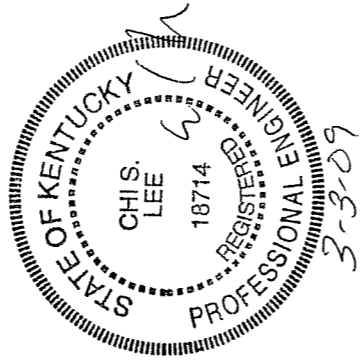
REINFORCING BAR SIZE	LAP SPlice LENGTH
3	15"
4	17"
5	21"
6	26"
7	30"
8	36"
9	46"
10	58"
11	71"

- FOUNDATION INSTALLATION/DESIGN NOTES:
- THIS FOUNDATION IS DESIGNED TO MEET ALL STANDARDS SET FORTH BY ACI 318: AMERICAN CONCRETE INSTITUTE, BUILDING CODE REQUIREMENTS FOR STRUCTURAL CONCRETE, ANSI/TIA/EIA 222-F: STRUCTURAL STANDARDS FOR STEEL ANTENNA TOWERS AND ANTENNA SUPPORTING STRUCTURES. THIS FOUNDATION IS DESIGNED UTILIZING THE GEOTECHNICAL REPORT PERFORMED BY WENDELL R. HOLMES, P.G.; DATED 02-20-09; THE FOUNDATION CONTRACTOR SHALL INSTALL THE FOUNDATIONS IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE GEOTECHNICAL REPORT.
 - ALL WORK PERFORMED FROM THESE DRAWINGS SHOULD BE BY QUALIFIED CONTRACTORS EXPERIENCED IN TOWER FOUNDATION CONSTRUCTION.
 - ALL FOOTING EXCAVATIONS SHALL BE MANUALLY CLEANED PRIOR TO PLACING CONCRETE. COMPACT THE EXPOSED SOIL SURFACE AND ANY GRANULAR FILL UNDER THE FOUNDATION TO 95% OF THE MODIFIED PROCTOR DENSITY. ALL CONCRETE SHALL HAVE A MINIMUM COMPRESSIVE STRENGTH OF 3000 PSI AFTER 28 DAYS. COPIES OF THE CONCRETE CYLINDER TEST REPORTS SHALL BE SENT TO THE RESIDENT ENGINEER / INSPECTOR.
 - MINIMUM CONCRETE COVER FOR REINFORCING BARS SHALL BE 3". FIELD BENDING OR WELDING OF REINFORCEMENT BARS IS NOT PERMITTED.
 - PROVIDE CHAMFERS AT ALL EXPOSED CORNERS OF CONCRETE.
 - BACKFILL NEAR AND AROUND THE FOUNDATIONS SHALL BE A WELL GRADED FILL MATERIAL PLACED IN 8" THICK LAYERS THAT HAS BEEN COMPACTED TO 95% OF THE MODIFIED PROCTOR DENSITY PER ASTM D1557.
 - SOME DETAIL HAS BEEN PURPOSELY OMITTED TO CLARIFY ILLUSTRATION.



PLAN VIEW

TOTAL VOLUME OF CONCRETE = 32.75 YD³



P.O. BOX 25
 HENDERSON, KY 42419
 PHONE: (270) 830-8512
 FAX: (270) 830-8475

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	DESCRIPTION: PAD & PIER FOUNDATION DESIGN	DATE: 03/02/2009
	LOCATION: HARLAN COUNTY, KY	REV. NO. REV. DATE
APPROX WEIGHT N/A	FILE NAME: S.S.T. DESIGN DRAWING	JOB NO. AF40895
		SHEET B

LUKAS, NACE, GUTIERREZ & SACHS, LLP

1650 TYSONS BOULEVARD, SUITE 1500
MCLEAN, VIRGINIA 22102
703 584 8678 • 703 584 8696 FAX

WWW.FCCLAW.COM

RUSSELL D. LUKAS
DAVID L. NACE
THOMAS GUTIERREZ*
ELIZABETH R. SACHS*
DAVID A. LAFURIA
PAMELA L. GIST
TODD SLAMOWITZ*
TODD B. LANTOR*
STEVEN M. CHERNOFF*
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—
*NOT ADMITTED IN VA
Writers' Digest
(703) 584-8667
akuzehkanani@fcclaw.com

February 23, 2009

Via U.S. Mail

Federal Aviation Administration
Southern Region
Airports Division, ASO-600
PO Box 20636
Atlanta, GA 30320-0631


Dear FAA Evaluator:

Enclosed is an FAA Form 7460-1 (Notice of Proposed Construction or Alteration) for a new 190' communications tower structure (180' tower plus 10' antenna/lightning rod) near Cumberland (Harlan), Kentucky. The site ("Cumberland") is located 0.4 mi (0.6 km) N of Cumberland.

The proponent, East Kentucky Network, LLC, is the licensee for PCS Block A service in a portion of the Knoxville, TN Metropolitan Statistical Area ("Knoxville MTA"), Market No. 44A12. Transmit technology to be employed at this station is CDMA in the PCS Band A frequency band (1850 - 1860 MHz and 1930 - 1940 MHz); the maximum ERP is 500 Watts.

Should you have any questions or require additional information, please do not hesitate to call the undersigned at the above identified telephone number.

Sincerely,


Ali Kuzehkanani
Director of Engineering

Enclosure

cc: East Kentucky Network, LLC
Attention: Marty Thacker and Gerald Robinett

Notice of Proposed Construction or Alteration - Off Airport

Project Name: EAST -000113719-09 Sponsor: East Kentucky Network, LLC

Details for Case : Cumberland

Show Project Summary

Case Status

ASN: 2009-ASO-971-OE Date Accepted: 02/23/2009
Status: Accepted Date Determined:
Letters: None
Documents: 02/23/2009 Cumberland_FAA_Co...

Construction / Alteration Information

Notice Of: Construction
Duration: Permanent
if Temporary: Months: Days:
Work Schedule - Start: 03/01/2009
Work Schedule - End: 03/10/2009
State Filing: Filed with State

Structure Summary

Structure Type: Tower
Structure Name: Cumberland
FCC Number:
Prior ASN:

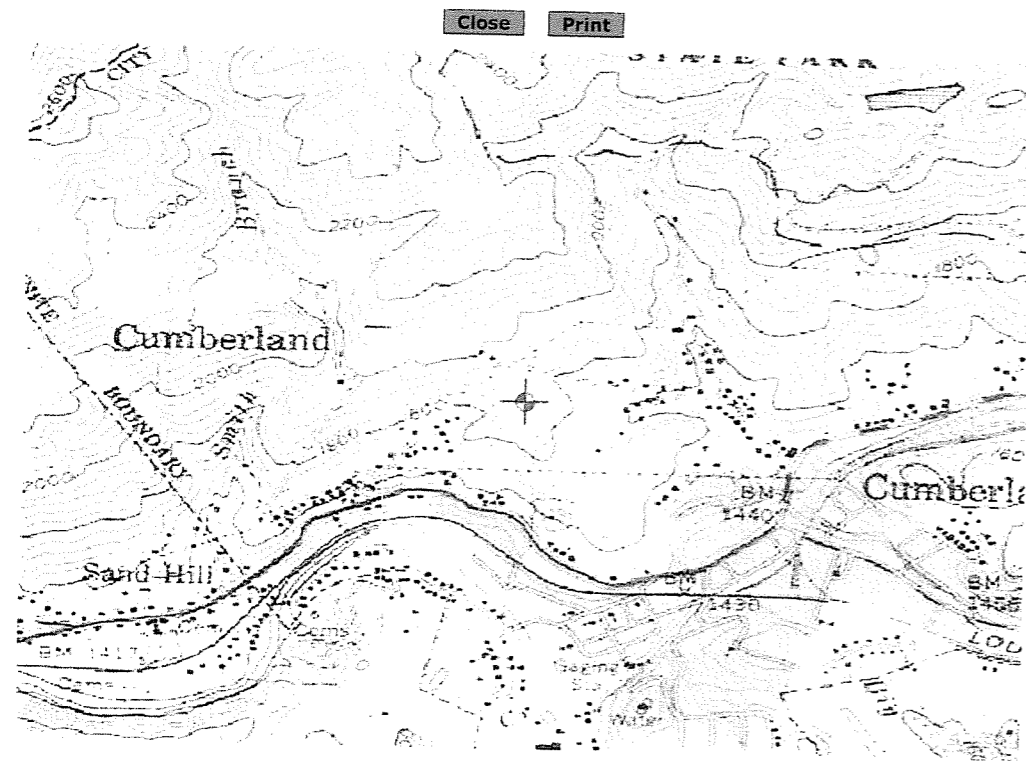
Structure Details

Latitude: 36° 58' 53.00" N
Longitude: 82° 59' 45.80" W
Horizontal Datum: NAD83
Site Elevation (SE): 1936 (nearest foot)
Structure Height (AGL): 190 (nearest foot)
Requested Marking/Lighting: None
Other:
Recommended Marking/Lighting:
Nearest City: Cumberland
Nearest State: Kentucky
Description of Location: Approx. 0.4 mi (0.6 km) N of Cumberland (Harlan), KY
Description of Proposal: A new 180' tower with top-mounted antennas (overall height of 190')

Common Frequency Bands

Table with columns: Low Freq, High Freq, Freq Unit, ERP, ERP Unit. Lists various frequency bands and their associated ERP values.

Specific Frequencies



EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

FINANCIAL REPORT

December 31, 2006

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INDEPENDENT AUDITOR'S REPORT

To the Members
East Kentucky Network, LLC
dba Appalachian Wireless
IveI, Kentucky 41642

We have audited the accompanying balance sheets of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2006 and 2005 and the related statements of income, members' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2006 and 2005 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Jones, Nale & Mattingly, P.C.

Louisville, Kentucky
March 15, 2007

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

BALANCE SHEETS
December 31, 2006 and 2005

ASSETS	2006	2005
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,818,346	\$ 1,046,669
Short-term investments	46,271	43,803
Accounts receivable, less allowance for doubtful accounts of \$567,790 in 2006 and \$375,856 in 2005	2,802,673	1,560,267
Accounts receivable, members (Notes 5 and 6)	37,612	3,149
USF receivable (Note 7)	--	589,913
Inventory	1,584,039	1,056,766
Prepaid expenses	173,657	143,547
Total current assets	<u>\$ 7,462,598</u>	<u>\$ 4,444,114</u>
 PROPERTY, PLANT AND EQUIPMENT (Note 3)		
Plant in service:		
General support	\$ 18,914,927	\$ 10,633,736
MTSO equipment	13,354,875	11,934,434
Cell equipment	39,339,797	34,785,982
Paging equipment	3,321,068	3,320,416
Fiber ring	6,471,128	6,245,412
Unfinished plant	657,524	3,992,696
	<u>\$ 82,059,319</u>	<u>\$ 70,912,676</u>
Less accumulated depreciation	33,358,066	27,810,940
	<u>\$ 48,701,253</u>	<u>\$ 43,101,736</u>
 OTHER ASSETS		
Investment in affiliated company, RTFC (Note 3)	\$ 862,394	\$ 875,133
Intangible assets, net of accumulated amortization of \$2,646,913 in 2006 and \$2,179,654 in 2005 (Note 2)	4,497,032	4,623,855
Other	27,550	28,669
	<u>\$ 5,386,976</u>	<u>\$ 5,527,657</u>
	<u>\$ 61,550,827</u>	<u>\$ 53,073,507</u>

The Notes to Financial Statements are an integral part of these statements.

LIABILITIES AND MEMBERS' EQUITY	<u>2006</u>	<u>2005</u>
CURRENT LIABILITIES		
Current maturities of long-term debt (Note 3)	\$ 1,200,000	\$ 48,033
Accounts payable	1,166,909	851,643
Accounts payable, member (Notes 5 and 6)	2,899	2,936
Accrued expenses	2,113,530	1,457,463
Accrued state corporation taxes	232,157	85,989
Customer deposits	<u>317,603</u>	<u>291,380</u>
Total current liabilities	\$ 5,033,098	\$ 2,737,444
LONG-TERM DEBT, less current maturities (Note 3)	13,000,000	13,297,220
MEMBERS' EQUITY	43,517,729	37,038,843
	<u>\$ 61,550,827</u>	<u>\$ 53,073,507</u>

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

STATEMENTS OF INCOME
Years Ended December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
REVENUE		
Retail	\$ 24,156,320	\$ 20,908,570
Roaming	6,964,309	6,868,904
Long distance	155,046	177,350
Paging	852,011	1,039,429
Equipment sales, cellular	2,922,817	2,152,962
Equipment sales, paging	27,894	57,632
Other	3,065,078	2,359,809
Total revenue	<u>\$ 38,143,475</u>	<u>\$ 33,564,656</u>
EXPENSES		
Cost of cellular service	\$ 7,888,446	\$ 7,924,553
Cost of paging service	411,177	510,665
Cost of equipment sales, cellular	6,813,457	4,912,998
Cost of equipment sales, paging	58,755	78,428
Customer service	1,330,573	1,208,726
Billing	1,097,834	1,200,135
Selling	2,703,570	2,131,009
Maintenance	1,267,034	1,042,844
Utilities	454,008	354,870
Bad debts	800,268	672,263
Recovery of bad debts	(90,925)	(120,673)
Cell site rental	158,500	135,012
Taxes	565,271	257,247
Advertising	1,574,298	1,139,697
General and administrative	2,238,348	2,249,226
Occupancy	334,981	359,928
Depreciation	5,541,628	4,635,200
Amortization	508,526	495,241
Total expenses	<u>\$ 33,655,749</u>	<u>\$ 29,187,369</u>
Income from operations	<u>\$ 4,487,726</u>	<u>\$ 4,377,287</u>
OTHER INCOME (EXPENSE)		
Interest income	\$ 49,052	\$ 23,915
Interest expense	(821,277)	(795,898)
Universal Service Fund income (Note 7)	3,716,602	589,913
Impairment of goodwill (Note 8)	--	(331,286)
	<u>\$ 2,944,377</u>	<u>\$ (513,356)</u>
Income before taxes	\$ 7,432,103	\$ 3,863,931
Kentucky corporation tax expense	<u>399,157</u>	<u>170,197</u>
Net income	<u>\$ 7,032,946</u>	<u>\$ 3,693,734</u>

The Notes to Financial Statements are an integral part of these statements.

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

STATEMENTS OF MEMBERS' EQUITY
Years Ended December 31, 2006 and 2005

	Cellular Services, Inc.	Gearhart Communi- cations Company, Inc.	Mountain Tele- communi- cations, Inc.	Thacker- Grigsby Telephone Co., Inc.	Peoples Rural Telephone Coop- erative Corp- oration, Inc.	Total
Balance, January 1, 2005	\$ 6,781,309	\$ 6,781,309	\$ 6,781,309	\$ 6,781,309	\$ 6,781,308	\$33,906,544
Net income	738,747	738,747	738,747	738,746	738,747	3,693,734
Capital distributions	(112,287)	(112,287)	(112,287)	(112,287)	(112,287)	(561,435)
Balance, December 31, 2005	\$ 7,407,769	\$ 7,407,769	\$ 7,407,769	\$ 7,407,768	\$ 7,407,768	\$37,038,843
Net income	1,406,589	1,406,589	1,406,589	1,406,590	1,406,589	7,032,946
Capital distributions	(110,812)	(110,812)	(110,812)	(110,812)	(110,812)	(554,060)
Balance, December 31, 2006	\$ 8,703,546	\$ 8,703,546	\$ 8,703,546	\$ 8,703,546	\$ 8,703,545	\$43,517,729

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 7,032,946	\$ 3,693,734
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	5,541,628	4,635,200
Amortization	508,526	495,241
Impairment of goodwill	--	331,286
Changes in assets and liabilities, net of the effects of investing and financing activities:		
(Increase) in accounts receivable	(1,242,406)	(78,367)
Decrease in accounts receivable, members	(34,463)	51,248
(Increase) decrease in USF receivable	589,913	(589,913)
(Increase) in inventory	(527,273)	(230,130)
(Increase) decrease in prepaid expenses	(30,110)	5,012
(Increase) decrease in other assets	13,858	(646)
Increase (decrease) in accounts payable	315,266	(291,123)
Increase (decrease) in accounts payable, member	(37)	2,332
Increase in accrued expenses	656,067	339,038
Increase in accrued state corporation taxes	146,168	85,989
Increase in customer deposits	26,223	139,030
Net cash provided by operating activities	<u>\$ 12,996,306</u>	<u>\$ 8,587,931</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	\$ (11,182,411)	\$ (11,469,668)
Purchase of intangible assets	(340,437)	(299,159)
Proceeds from sale of short-term investments	(2,468)	56,197
Net cash (used in) investing activities	<u>\$ (11,525,316)</u>	<u>\$ (11,712,630)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital distributions	\$ (554,060)	\$ (561,435)
Proceeds from long-term borrowings	14,200,000	3,450,000
Payments on long-term borrowings	(13,345,253)	(832,731)
Net cash provided by financing activities	<u>\$ 300,687</u>	<u>\$ 2,055,834</u>
Net increase (decrease) in cash and cash equivalents	\$ 1,771,677	\$ (1,068,865)
Cash and cash equivalents:		
Beginning	<u>1,046,669</u>	<u>2,115,534</u>
Ending	<u>\$ 2,818,346</u>	<u>\$ 1,046,669</u>

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

STATEMENTS OF CASH FLOWS (Continued)
Years Ended December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for interest	<u>\$ 866,941</u>	<u>\$ 788,610</u>
Cash payments for state corporation taxes	<u>\$ 167,000</u>	<u>\$ 84,207</u>
 SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Settlement of note payable from impairment of goodwill	<u>\$ --</u>	<u>\$ 400,000</u>
Settlement of accrued interest from impairment of goodwill	<u>\$ --</u>	<u>\$ 56,000</u>

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Nature of operations

East Kentucky Network, LLC, dba Appalachian Wireless, is a Kentucky limited liability company formed by the merger of Appalachian Cellular, LLC, Mountaineer Cellular, LLC and East Kentucky Network, LLC on January 1, 2000. The Company is engaged in cellular telephone communications and paging services to residential and commercial customers located in eastern Kentucky. The Company's five members consist of Cellular Services, Inc.; Gearheart Communications Company, Inc.; Mountain Telecommunications, Inc.; Peoples Rural Telephone Cooperative Corporation, Inc.; and Thacker-Grigsby Telephone Co., Inc.

Cash

The Company maintains its cash balances, which exceed the \$100,000 federally insured limit, with several financial institutions. These financial institutions have strong credit ratings and management believes that credit risk related to the accounts is minimal.

Cash equivalents

For purposes of the statement of cash flows, the Company considers temporary investments having a maturity of three months or less to be cash equivalents.

Short-term investments

Certificates of deposit having original maturities between three and nine months are classified as short-term investments, are carried at cost, which approximates fair value, and are held to maturity.

Inventory

Inventory is composed of cellular telephone equipment, paging equipment, and accessories purchased for resale during the ordinary course of business. The inventory is valued at the lower of cost or market, cost being determined by the first-in, first-out (FIFO) method.

Property, plant and equipment

Property, plant and equipment are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Investment

The investment in affiliated company is composed of equity certificates in Rural Telephone Finance Cooperative and is reported at cost, which approximates fair value.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Intangible assets

The customer lists, non-compete agreements, FCC licenses, and use of name are recorded at cost and are being amortized over 15 years by the straight-line method. The excess cost over the fair value of the net assets acquired (goodwill) related to paging acquisitions is measured for impairment on an annual basis, and written down, if necessary, to its estimated value at that time. During the prior year, the Company expensed the remaining balance of goodwill as an impairment (see Note 8).

Recognition of revenue

Cellular service and paging revenues are recognized when earned. Monthly access and feature charges are billed one month in advance and recognized as revenue the following month. Revenue from telephone and accessories sold are recognized as revenue upon delivery to the customer.

Advertising

Advertising costs are expensed as incurred. At December 31, 2006 and 2005, these costs were \$1,574,298 and \$1,139,697, respectively.

Income taxes

Under existing provisions of the Internal Revenue Code, the income or loss of a limited liability company is recognized by the members for income tax purposes. Accordingly, no provision for federal income taxes has been provided for in the accompanying financial statements. Effective for years beginning on or after January 1, 2005, the State of Kentucky enacted legislation which now provides for the taxation of limited liability companies' at the entity level. The accompanying financial statements include the related state tax liability under the new regulations.

Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

NOTES TO FINANCIAL STATEMENTS

Note 2. Intangible Assets

Intangible assets consist of the following at December 31, 2006:

	Gross Amount	Accumulated Amortization
Customer lists	\$ 5,363,530	\$ (2,152,951)
Non-compete agreements	220,348	(121,577)
FCC licenses	1,141,593	(330,542)
Use of name	10,000	(4,334)
Other	408,474	(37,509)
	<u>\$ 7,143,945</u>	<u>\$ (2,646,913)</u>

Intangible assets consist of the following at December 31, 2005:

	Gross Amount	Accumulated Amortization
Customer lists	\$ 5,363,530	\$ (1,795,634)
Non-compete agreements	220,348	(106,898)
FCC licenses	1,141,593	(264,446)
Use of name	10,000	(3,668)
Other	68,038	(9,008)
	<u>\$ 6,803,509</u>	<u>\$ (2,179,654)</u>

Aggregate amortization expense related to these intangible assets for the years ended December 31, 2006 and 2005 totaled \$467,259 and \$437,982, respectively. The following represents the total estimated amortization of intangible assets for each of the succeeding five years:

Year ending December 31:

2006	\$ 450,000
2007	450,000
2008	450,000
2009	450,000
2010	450,000

NOTES TO FINANCIAL STATEMENTS

Note 3. Long-Term Debt

Long-term debt consists of the following at December 31:

	<u>2006</u>	<u>2005</u>
Note payable, Fifth Third Bank (a)		
Dated 02/28/06, variable rate (5.41% at 12/31/06)	\$ 14,200,000	\$ --
Notes payable, RTFC (b)		
Dated 11/13/97, variable rate Paid in full 03/01/06	--	194,957
Dated 11/13/97, variable rate Paid in full 03/01/06	--	899,406
Dated 11/13/97, fixed rate Paid in full 03/01/06	--	727,521
Dated 12/31/98, fixed rate Paid in full 03/01/06	--	618,521
Dated 02/13/01, variable rate Paid in full 03/01/06	--	786,457
Dated 02/13/01, variable rate Paid in full 03/01/06	--	932,200
Dated 07/27/01, variable rate Paid in full 03/01/06	--	2,845,311
Lines of Credit, RTFC		
Line of credit, variable rate (c) Paid in full 03/01/06	--	5,000,000
Line of credit, variable rate (d) Paid in full 03/01/06	--	1,750,000
Line of Credit, Fifth Third Bank (e)		
Due 03/28/08, variable rate (5.41% at 12/31/06)	--	--
	<u>\$ --</u>	<u>\$ 13,754,373</u>

(a) On February 28, 2006, the Company borrowed \$14,200,000 to restructure its debt. The note is payable in 10 annual installments of \$1,200,000 for 2007, \$1,400,000 for 2008 through 2012, and \$1,500,000 for 2013 through 2016, with a variable interest rate. The note is collateralized by the assets of the Company.

(b) The notes payable to Rural Telephone Finance Cooperative (RTFC) were secured by mortgage and security agreements that include substantially all of the assets of the Company. In addition, the Company was required to purchase equity certificates in RTFC equal to 5% of the total amounts borrowed. The notes were payable in quarterly installments over 15 years with interest at variable or fixed rates set by RTFC. The notes were paid in full on March 1, 2006.

NOTES TO FINANCIAL STATEMENTS

Note 3. Long-Term Debt (Continued)

- (c) The line of credit agreement with RTFC provided for borrowings up to \$5,000,000. The agreement carried an interest rate at prime, plus one and one-half percent, was unsecured and was renewed June 28, 2004 for 24 months. The line of credit was paid in full on March 1, 2006.
- (d) The line of credit agreement with RTFC provided for borrowings up to \$2,000,000. The agreement carried an interest rate at prime, plus one and one-half percent, was unsecured and due May 16, 2006. The line of credit was paid in full on March 1, 2006.
- (e) The line of credit agreement with Fifth Third Bank provides for borrowing up to \$3,000,000. The agreement carries a variable interest rate, is secured by certain assets of the company, and is due March 28, 2008.

Approximate maturities or payments required on principal under note payable agreements for each of the succeeding five years are as follows:

Year ending December 31:	
2006	\$ 1,200,000
2007	1,400,000
2008	1,400,000
2009	1,400,000
2010	1,400,000

Note 4. Retirement Plans

The Company has a 401(k) plan for qualifying employees who have reached twenty-one years of age. Eligible employees are allowed to invest up to 15% of their compensation and the Company has agreed to match 100% of the first 3% of the employees' contribution and 50% of the employees' contribution between 3% and 5%. The Company contributed \$73,607 and \$67,460 matching funds for its 401(k) plan during the years ended December 31, 2006 and 2005, respectively.

The Company also offers an employer sponsored retirement savings plan for qualified employees who have reached twenty-one years of age. The Company has agreed to contribute 9% of the eligible employee's compensation, plus an additional 5% of the original contribution.

The Company contributed \$259,859 and \$221,669 to its retirement savings plan during the years ended December 31, 2006 and 2005, respectively.

NOTES TO FINANCIAL STATEMENTS

Note 5. Related Party Transactions

The Company shares personnel with one of its members. The Company paid \$114,996 and \$132,681 for shared personnel during the years ended December 31, 2006 and 2005 respectively. The Company also leased offices and warehouse space from two members. The leases are for an unspecified length of time. The monthly lease payments total approximately \$7,000. In addition, the Company incurred interconnection and telephone charges from its members aggregating \$752,095 and \$786,283 for the years ended December 31, 2006 and 2005, respectively.

The Company leases two cellular tower sites from the officers and majority shareholders of a member for \$100 per month for each site. The leases are for an unspecified length of time. In addition, the Company leases two other sites from a company owned by this member for \$600 each on a month to month basis.

The Company leases cellular tower sites from the parent company of one of its other members for \$1,039 per month. The leases are for five years with options to renew.

The Company pays commissions to two of its members for phone sales to customers. The amount of commissions paid to related parties was \$45,484 and \$43,873 for 2006 and 2005 respectively.

Note 6. Operating Leases

The Company has entered into operating leases with its members and other customers to provide fiber optic transmission capacity and ancillary services. The terms of these leases are for 15 years.

Total rental income earned from these operating lease commitments included in the statements of income were \$1,130,809 and \$1,254,902 for the years ended December 31, 2006 and 2005, respectively. Rental income earned from the Company's members from these leases was \$631,789 and \$713,599 for the years ended December 31, 2006 and 2005, respectively.

Investments in operating leases are as follows at December 31:

	<u>2006</u>	<u>2005</u>
Fiber ring	\$ 6,471,128	\$ 6,245,412
Accumulated depreciation	<u>(982,379)</u>	<u>(773,028)</u>
	<u>\$ 5,488,749</u>	<u>\$ 5,472,384</u>

The future minimum rental payments expected to be received under these lease agreements for each of the succeeding five years are approximately \$700,000 each year based upon new contracts negotiated during 2005.

NOTES TO FINANCIAL STATEMENTS

Note 6. Operating Leases (Continued)

The Company has also entered into lease agreements with its members to obtain fiber optic transmission and digital microwave transmission services. The terms of these leases are for 15 years.

Rental expenses incurred under these operating lease commitments included in the statements of income were \$194,083 and \$33,329 for the years ended December 31, 2006 and 2005, respectively. The future minimum lease payments required under these lease agreements for each of the succeeding five years are \$115,734 each year.

Note 7. Eligible Telecommunication Carrier

During the prior year, the Company was granted Eligible Telecommunication Carrier (ETC) status by the Kentucky Public Service Commission. As an ETC, the Company receives funding from the federal Universal Service Fund (USF) to support the high cost of providing local telephone service in rural areas. USF payments amounted to \$3,716,602 and \$589,913 for 2006 and 2005 respectively.

Note 8. Impairment of Goodwill

During 2005, the Company completed its annual valuation of the acquired goodwill related to paging acquisitions. Pursuant to the valuation, the Company expensed the remaining balance of goodwill. In management's judgment, the underlying assets associated with the goodwill were determined to be of substantially less value than the amount originally paid. The Company disputed the amount based upon the estimated current market value of the purchased customer lists, which approximates the current amortized book value. Accordingly, the entire balance of the remaining note payable issued as part of the acquisitions, along with the related accrued interest, has been written off due to the impairment of goodwill.

The following is a summary of the impairment of goodwill expense included in the financial statements for the year ended December 31, 2005:

Goodwill	\$ 787,286
Note payable	(400,000)
Accrued interest	(56,000)
	<u>\$ 331,286</u>

Directions to Cumberland Tower

From the Harlan County Courthouse located at the intersection of first St. and Central St. Take Central St. .1 mile to the Jct. of Central St. and 421. Turn right onto 421 and go 21.7 miles to Hwy 160. Turn Right onto Hwy. 160 and continue for 1.3 miles to Sand Hill Rd. Turn right onto Sand Hill Rd. and Continue for .1 mile. Sand Hill Rd. will split. Take East Sand Hill Rd. .1 miles to Green Gates. After passing gates road stops at site.

Directions were written by,

Marty Thacker
Appalachian Wireless
606-438-2355 Ext 111 (office)
606-634-9505 (Cell Phone)
m.thacker@tgtel.com (email)

79054

**DECLARATION and GRANT OF PERPETUAL EASEMENT
and RIGHT OF WAY**

THIS DECLARATION and GRANT OF PERPETUAL EASEMENT AND RIGHT OF WAY made and executed on the 15th day of February, 2009 by and between **Russell Brown and April Brown, husband and wife**, of 178 Ease Sandhill Road, Cumberland, Kentucky 40823, **GRANTOR**, and **East Kentucky Network, LLC d/b/a Appalachian Wireless**, of 101 Technology Trail, Ivel, Kentucky 41642, **GRANTEE**:

WHEREAS, Grantor is the owner of that certain tract of land located in Harlan County, Kentucky, as more particularly described in that certain Deed of Conveyance from John D. Polli and Lillian Polli, husband and wife, to Russell A. Brown and April D. Brown, husband and wife, by deed dated August 16, 2002, recorded in Deed Book 369, Page 370, Harlan County, Kentucky,

WHEREAS, Grantor and Grantee have, for a valuable consideration as set out hereinafter, agreed to the dedication and grant of a perpetual easement and right of way in favor of the Grantee, its successors and assigns, for a portion of the Property, described by metes and bounds in the description attached hereto and made a part hereof as Exhibit "A", and as shown on the Plat dated the 27th day of January, 2009, prepared by James W. Caudill, LLS, and attached hereto and made a part hereof as Exhibit "B", said real property being hereinafter referred to as the "Premises", together with certain non-exclusive easements and right of ways as set out hereinafter;

NOW THEREFORE, for and in consideration of the sum of Twenty Thousand Dollars (\$20,000.00), the receipt and sufficiency of which is hereby acknowledged, the Grantor does hereby grant and convey unto Grantee, its successors and assigns, the

perpetual and exclusive right and easement to use the Premises as described at Exhibit "A" and shown upon the Plat at Exhibit "B", respectively, attached hereto and made a part hereof, for the purpose of constructing buildings, towers, guy lines, anchors and other related facilities, including, but not limited to telephone lines, coaxial lines, power lines and the installation of any and all other equipment deemed necessary by Grantee to receive and transmit any and all electronic signals in the rural service area now or hereafter to be served by the facility. The parties hereto recognize that technology in the communications field is advancing at a rapid rate and that this site may be used for any other purpose now in the development stage or which may later be developed in the communications industry to carry out the objectives of Grantee, that being to transmit and receive signals and communications by wire, fiber optics, radio and satellite, in connection with Grantee's business.

And for the consideration aforesaid, Grantor grants and conveys to Grantee the non-exclusive easement and right of way for ingress and egress by any method, whether pedestrian or motorized vehicles of all types and descriptions, including any and all roads now existing on the remaining Property of the Grantor, together with the right, privilege and easement to reconstruct or relocate any such roadway or easement for a width of twenty feet (20'); together with

A non-exclusive easement and right of way of twenty feet (20') either side along any such roadway for the construction, installation and maintenance of utility lines, including telephone, electric power, including wires, poles, cables, conduits, and pipes over, under or along a twenty foot (20') wide right of way across the Property of Grantor extending from the nearest public right of way to the Premises.

It is understood that the easements and rights of way granted above whether exclusive or non-exclusive, as applicable, are perpetual in nature. The Grantee, if in its sole and exclusive judgment determines that the Premises are no longer needed in connection with Grantee's business, shall have the right to surrender the perpetual easements and rights of way granted herein upon sixty (60) days written notice of such intention to Grantor, and thereafter, shall have one hundred eighty (180) days within which to remove any and all of its buildings, equipment or facilities constructed upon the Premises, after such time the Premises shall revert to Grantor.

Grantor warrants generally the Premises, rights, easements, and privileges granted herein.

Grantor shall not use the remainder of the Property of Grantor of which this Grant of Easement and Right of Way is a part for the construction, installation or operation of any wireless communications facilities which would unreasonably interfere with Grantee's communications facility.

This grant and the exhibits attached hereto constitute the entire agreement of the Parties, and no oral or implied agreements or representations will be binding upon the Parties hereto.

This instrument shall be interpreted under the laws of the Commonwealth of Kentucky.

The terms, covenants and provisions of this Grant of Easement and Right of Way shall be binding upon the Parties hereto, their respective executors, administrators, heirs, successors and assigns.

Grantee shall pay all personal property taxes assessed on, or any portion of such taxes attributable to, the equipment used by Grantee on the Premises. Grantor shall pay when due all real property taxes and all other fees and assessments attributable to the Premises. Grantee shall reimburse the Grantor as additional compensation for any increase in real estate taxes levied against the Grantor (or its successors or assigns) which are attributable to or arise as a result of the improvements constructed by the Grantee, its successors or assigns.

Grantee shall indemnify and save harmless the Grantor of any liability by virtue of Grantee's activities upon the Premises or in the exercise of any of the rights, privileges and rights of way granted herein, specifically including but not limited to any claim, loss, fine, penalty and costs (including reasonable attorney's fees) arising out of any violation of any environmental laws or regulation. This provision shall survive the termination of this Grant of Easement.

All notices, demands or other writings provided to be given, made or sent hereunder, shall be deemed to have been given when made in writing and deposited in the United States mail, certified and postage prepaid, to Grantor and Grantee at the addresses stated in the caption of this Grant, unless addresses have been changed by written notice given by either Party.

WITNESS OUR HANDS, the day and year aforesaid.

GRANTOR:

Russell Brown

RUSSELL A. BROWN

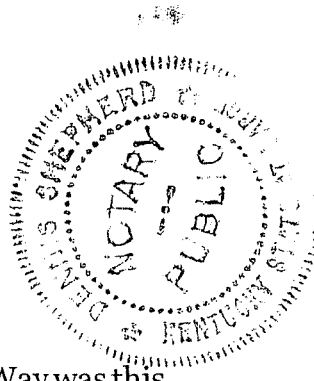
April Brown

APRIL D. BROWN

EAST KENTUCKY NETWORK, LLC
d/b/a APPALACHIAN WIRELESS

BY: Gerald F. Robinette

ITS: General Manager



STATE OF KENTUCKY
COUNTY OF HARLAN

The foregoing Declaration of Grant of Perpetual Easement and Right of Way was this 15th day of February, 2009, produced and acknowledged before me by Russell A. Brown and April D. Brown, husband and wife, Grantors.

Dennis Shepherd
NOTARY PUBLIC
COMMISSION EXPIRES: Oct. 22-2009

STATE OF KENTUCKY
COUNTY OF Floyd

The foregoing Declaration of Grant of Perpetual Easement and Right of Way was this 30th day of January, 2009, produced and acknowledged before me by **East Kentucky Network, LLC, dba Appalachian Wireless** by Gerald F. Robinette, its General Manager, Grantee.

Dennis Shepherd
NOTARY PUBLIC
COMMISSION EXPIRES: Oct. 22-2009

Exhibit "A"

**DEED DESCRIPTION
FOR SUBDIVISION OF**
Property of
RUSSELL & APRIL BROWN
178 East Sandhill Road
Cumberland, KY 40823

January 27, 2009

A portion of the property lying on East Sandhill in Harlan County Kentucky, near old highway 119 in Cumberland. Being a portion of the property conveyed by deed from the John D. Polli and Lillian Polli, his wife to Russell A. Brown and April D. Brown, husband and wife, and recorded in Deed Book 369 Page 370 of the Harlan County Court House.

Unless stated otherwise, any monument referred to herein as "set iron pin with cap" is a set 1/2" diameter rebar, at least eighteen (18") in length, with a plastic cap stamped "LS-2259". All bearings stated herein are referred to the NAD83 KY South State Plane north. This survey performed by James W. Caudill, LS2259, on January 27, 2009.

Lot A1

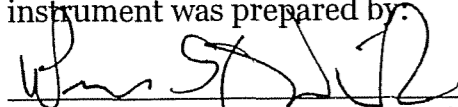
Beginning on a set iron pin with cap marked ls2259 at a fence post with wire fence on the line of Roger & Delores Shelton (Book 328 Page 735) and on the line of Russell & April Brown (Book 369 Page 370); thence running with the fence and the property of Roger & Delores Shelton South 50 deg 44 min 04 sec East, 77.17 feet to a set iron pin with cap marked ls2259 at old wire fence, South 50 deg 28 min 06 sec East, 73.54 feet to a set iron pin with cap marked ls2259 at 15" hickory tree at fence, South 09 deg 23 min 22 sec East, 34.92 feet to a found twin 14" Black Oak at fence on ridge, South 00 deg 48 min 16 sec East, 54.74 feet to a set iron pin with cap marked ls2259 at 16" hickory at fence on ridge, thence leaving the fence line and the ridge and severing the land of Russel & April Brown by running South 37 deg 34 min 48 sec West, 20.85 feet to a found 36" black oak marked with 3 hacks; thence running over the hill North 81 deg 24 min 28 sec West, 119.42 feet to a set iron pin with cap marked ls2259 on the hillside; thence running around the hill North 34 deg 59 min 56 sec West, 57.84 feet to a set iron pin with cap marked ls2259 on the hillside; thence running up the hill North 16 deg 46 min 24 sec East, 142.20 feet to the beginning.

Containing a calculated area of 21367 sq ft or 0.49 acres.

This according to a survey by James W. Caudill, PLS #2259, on January 27, 2009.

James W. Caudill
James W. Caudill, PLS #2259
STATE OF KENTUCKY
JAMES W. CAUDILL
LS2259
LAND SURVEYOR

This is to certify that this instrument was prepared by:



WILLIAM S. KENDRICK, ATTORNEY
FRANCIS, KENDRICK & FRANCIS
P.O. Box 268
Prestonsburg, Kentucky 41653
606/886-2812

*Deed Book 401
Page 384*

STATE OF KENTUCKY

COUNTY OF HARLAN

**Clerk's Certificate of
Lodgment and Record**

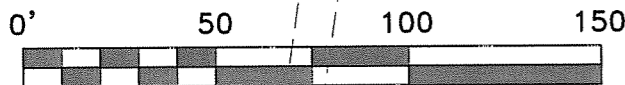
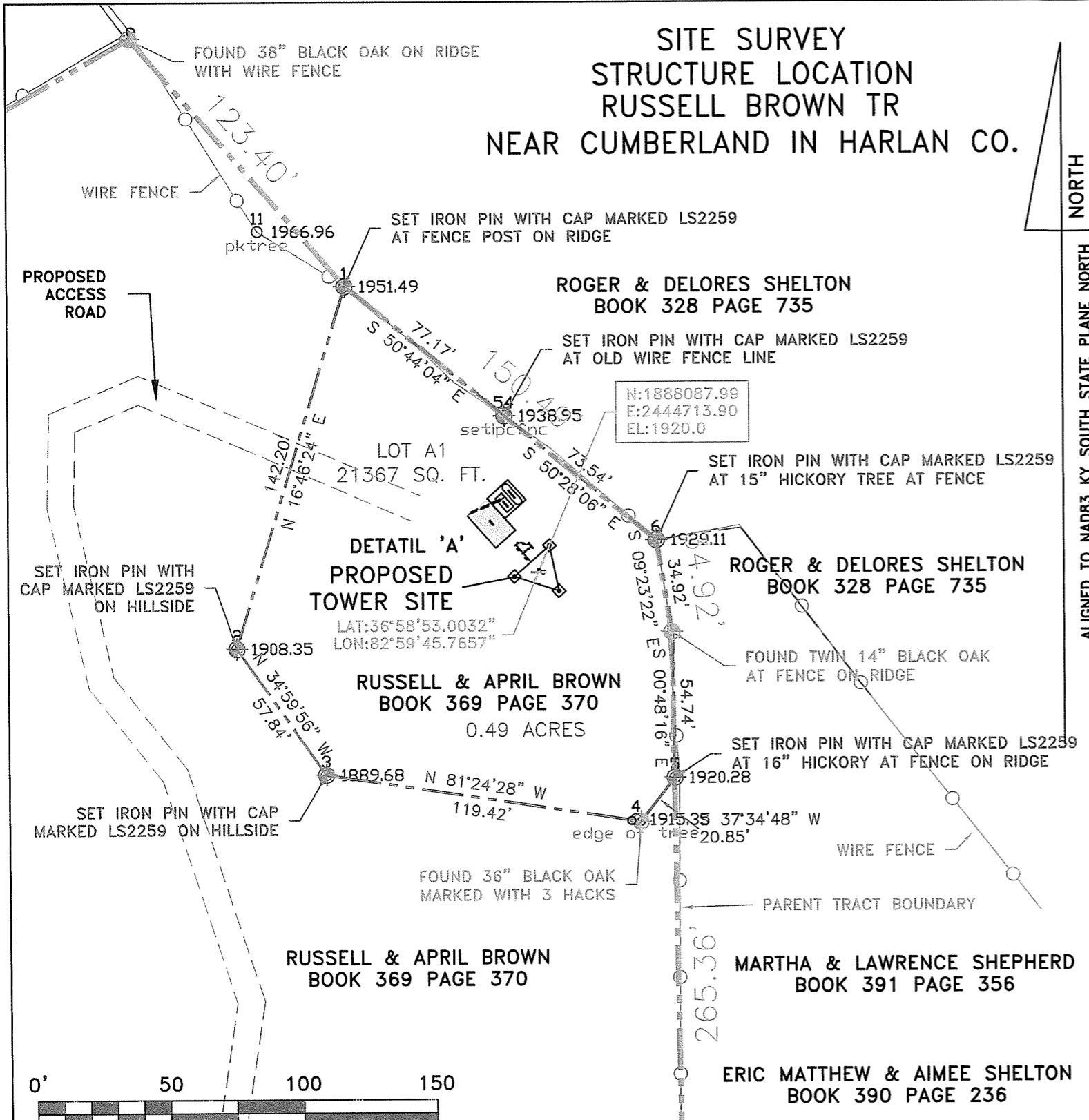
I, Wanda S. Clem, Clerk of the County for the County and State aforesaid, certify that the foregoing Declaration and Grant of Perpetual Easement and Right of Way was on the 2nd day of February, 2009 lodged for record, whereupon the same, with the foregoing and this certificate have been duly recorded in my office. *at 11:30 A.M.*

WITNESS my hand, this 2nd day of February, 2009.

Wanda S. Clem Clerk

By Kimberly Parrott D.C.

**SITE SURVEY
STRUCTURE LOCATION
RUSSELL BROWN TR
NEAR CUMBERLAND IN HARLAN CO.**



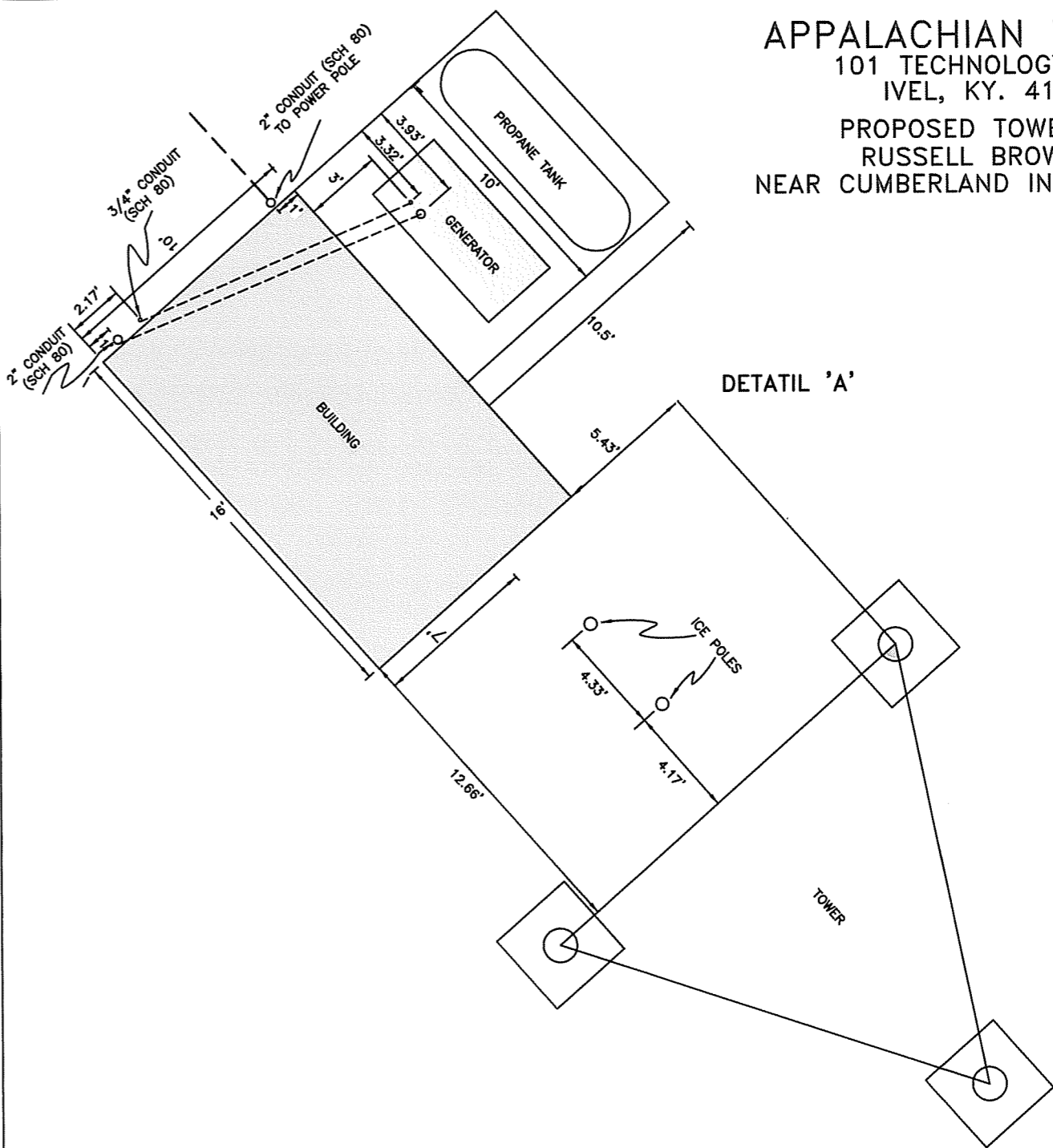
- LEGEND**
- SURVEY STA FOUND SET
 - IRON PIN WITH CAP (18" x .5" REBAR PLASTIC CAP MARKED LS2259)
 - BOUNDARY LINE
 - ACCESS ROAD
 - PARENT TRACT LINE

-THE PROPOSED TOWER HAS BEEN LOCATED USING DUAL FREQUENCY GPS UNIT PROCESSED BY "OPUS"
 -STATE PLANE COORDINATES NAD 83 KY SOUTH ZONE N 1888087.99, E 2444713.90, EL 1920 FT MSL
 -PRECISION: HORIZONTAL=0.30' VERTICAL=0.50'
 -PROPERTY LINE INFORMATION TAKEN FROM DEEDS AND VERIFIED IN THE FIELD.

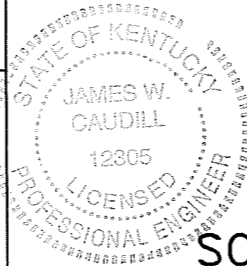
James W. Caudill 12305 1-27-09
 JAMES W. CAUDILL P.E. DATE

NORTH
ALIGNED TO NAD83 KY SOUTH STATE PLANE NORTH

APPALACHIAN WIRELESS
 101 TECHNOLOGY TRAIL
 IVEL, KY. 41642
 PROPOSED TOWER SITE
 RUSSELL BROWN TR
 NEAR CUMBERLAND IN HARLAN CO.



NOTE: * USE SWEEPS IN CONDUIT FOR ALL TURNS
 * CONDUITS SHALL BE PLACED 3.25" OUTSIDE CONCRETE SLAB



01/27/09

SCALE 1" = 6'

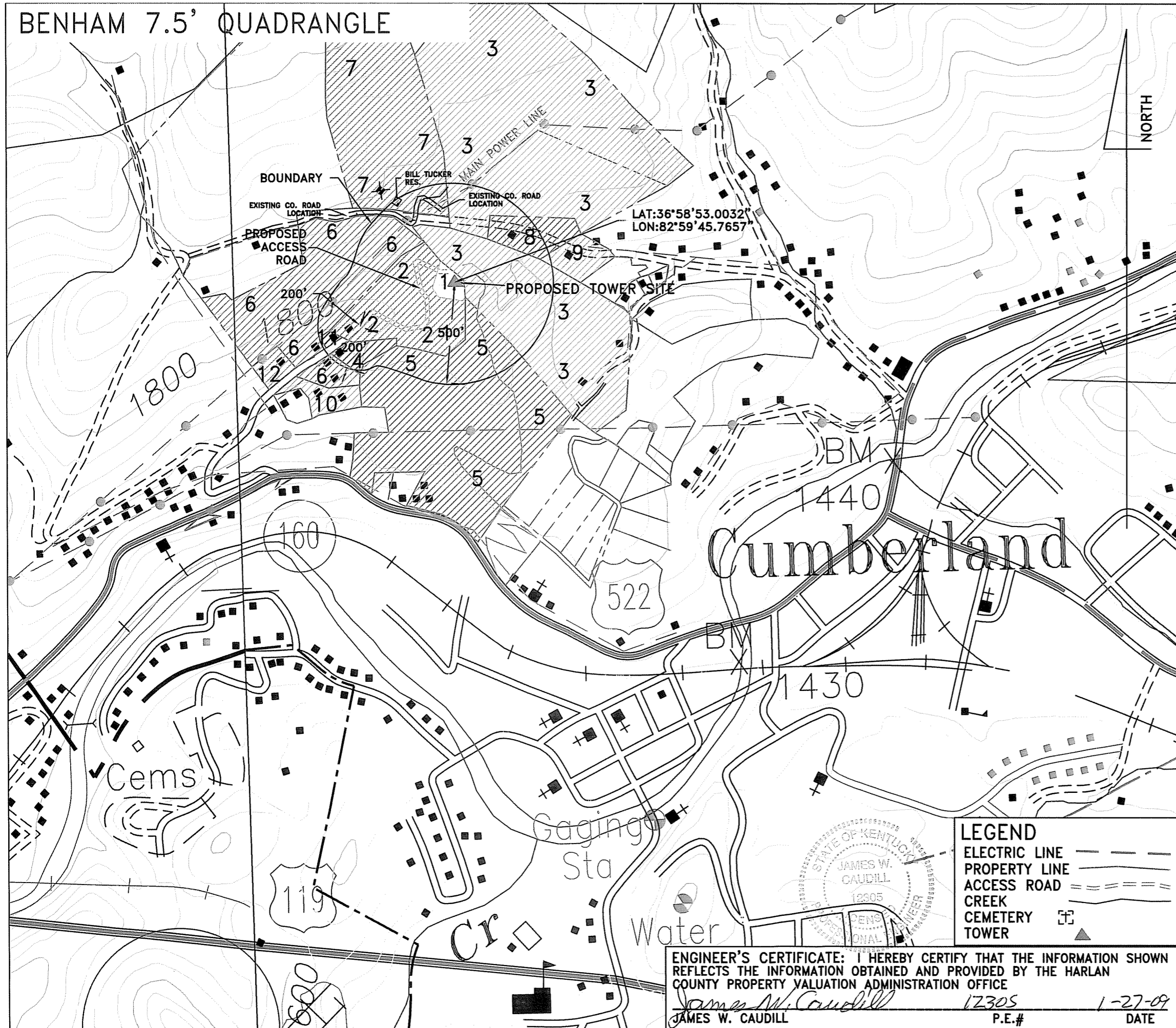


SITE SURVEY/STR LOCATION

COLEMAN ENGINEERING

P.O. BOX 153, HINDMAN, KY 41822

BENHAM 7.5' QUADRANGLE

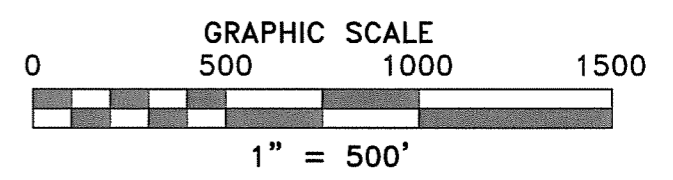


APPALACHIAN WIRELESS
 101 TECHNOLOGY TRAIL
 IVEL, KY. 41642
 PROPOSED TOWER SITE
 RUSSELL BROWN TR
 CUMBERLAND IN HARLAN COUNTY

LAND OWNERS:

- | | | | |
|-----|--|------|--|
| ○ 1 | APPALACHIAN WIRELESS-PENDING
101 TECHNOLOGY TRAIL
IVEL, KY 41642 | ● 7 | WILLIAM & HAZEL TUCKER
750 WEST SAND HILL
CUMBERLAND, KY 40823 |
| ● 2 | RUSSELL & APRIL BROWN
178 EAST SAND HILL RD
CUMBERLAND, KY 40823 | ● 8 | SANDRA KAY FIELDS
P.O. BOX 485
CUMBERLAND, KY 40823 |
| ● 3 | ROGER & DELORES SHELTON
P.O. BOX 158
CUMBERLAND, KY 40823 | ● 9 | BURCHEL & WANDS FIELDS
717 SPRING AVE
CUMBERLAND, KY 40823 |
| ● 4 | CLARENCE & DONNA BROWN
P.O. BOX 122 ARLENS HILL
CUMBERLAND, KY 40823 | ● 10 | ETHEL FRANKS
P.O. BOX 336
CUMBERLAND, KY 40823 |
| ● 5 | MARTHA & LAWRENCE SHEPHERD
18355 HWY 522
CUMBERLAND, KY 40823 | ● 11 | ANDERSON (BUD) BROWN
P.O. BOX 250
CUMBERLAND, KY 40823 |
| ● 6 | HERBERT & LUCILLE BROWN
P.O. BOX 95 ARLENS HILL
CUMBERLAND, KY 40823 | ● 12 | DANNY & CHARLENE BROWN
EAST SAND HILL RD
CUMBERLAND, KY 40823 |

01/27/09

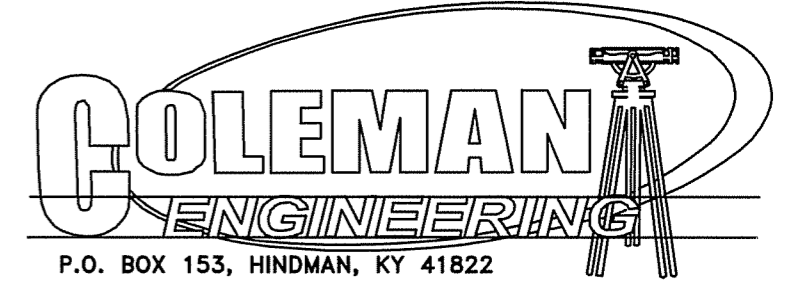


LEGEND

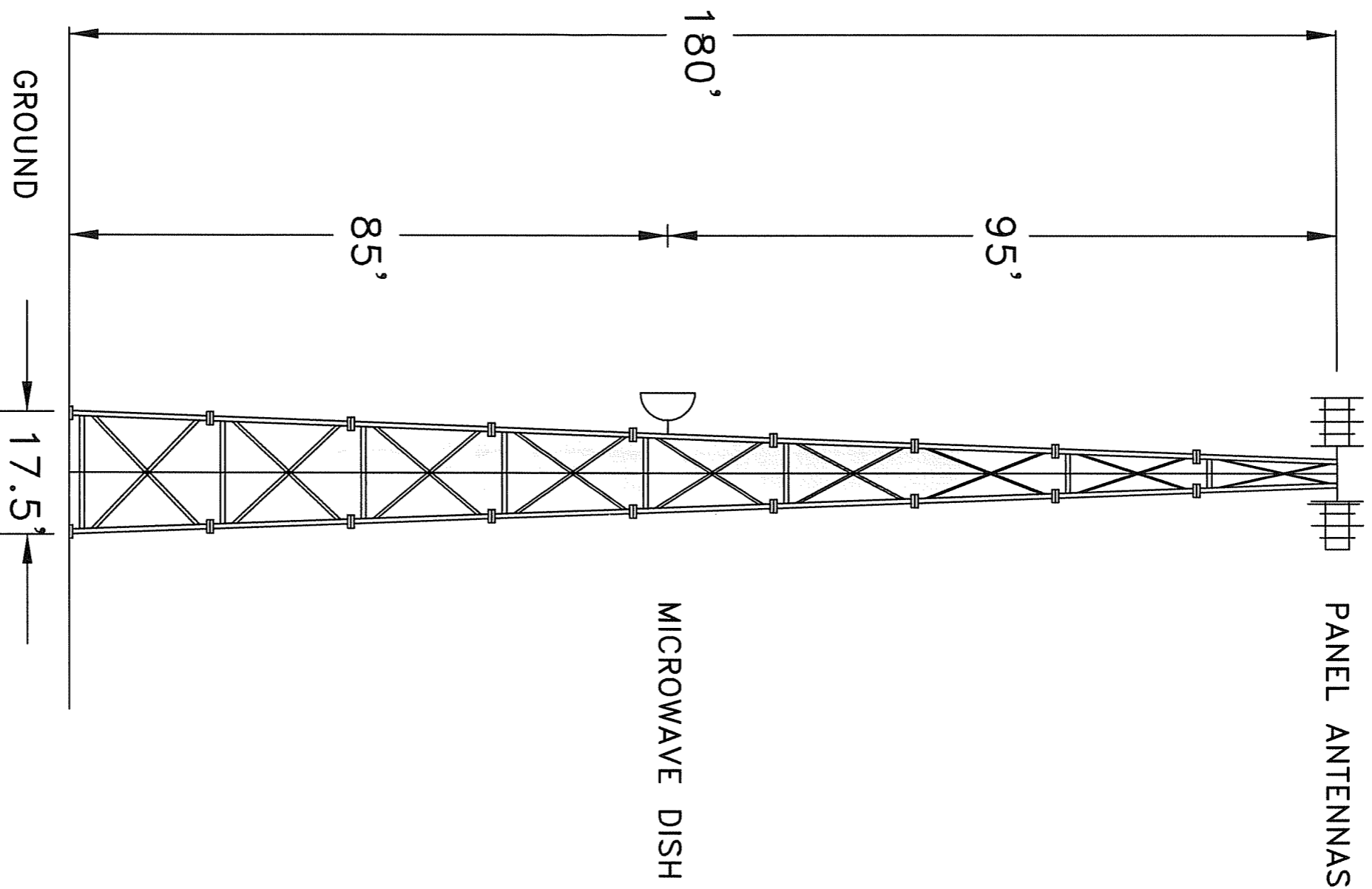
ELECTRIC LINE	---
PROPERTY LINE	---
ACCESS ROAD	---
CREEK	---
CEMETERY	☒
TOWER	▲

ENGINEER'S CERTIFICATE: I HEREBY CERTIFY THAT THE INFORMATION SHOWN REFLECTS THE INFORMATION OBTAINED AND PROVIDED BY THE HARLAN COUNTY PROPERTY VALUATION ADMINISTRATION OFFICE
James W. Caudill 12305 1-27-09
 JAMES W. CAUDILL P.E.# DATE

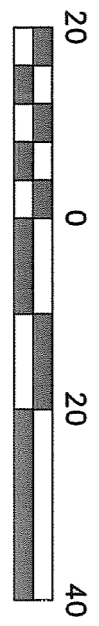
MAP SHOWING STRUCTURES & LAND OWNERS WITHIN 500 FT OF THE PROPOSED TOWER



APPALACHIAN WIRELESS
101 TECHNOLOGY TRAIL
IVEL, KY. 41642
PROPOSED TOWER SITE
BROWN TR NR CUMBERLAND IN HARLAN CO OF KY



GRAPHIC SCALE



THIS IS A VERTICAL PROFILE SKETCH OF THE TOWER INDICATING THE PROPOSED ANTENNA AND DISH ELEVATIONS. NO DESIGN CRITERIA WAS CONSIDERED IN THE PREPARATION OF THIS DRAWING.

01/27/09

VERTICAL PROFILE SKETCH

James W. Caudill
JAMES W. CAUDILL
12305
P.E.
1-27-09
DATE

